

Assessing Wisconsin's Insurance Climate in 2002

By Connie L. O'Connell
Commissioner of Insurance

The state of insurance – the market, the industry and its consumers – is good in Wisconsin. As we move into spring in 2002, perhaps it is time to review our recent progress and the various parts that make an impressive "whole."

To improve and maintain a strong, yet flexible system of insurance regulation, we need to ensure certain conditions: competitive markets, efficient administration, a strong consumer protection presence, and coordination among the states. I'm proud to say Wisconsin is leader in all four areas.

Indeed, the Wisconsin insurance regulation model has been

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successful due to several important components:

- Rates based on the market
- Regulatory flexibility
- Enforcement tools
- Educated consumers

Add to that our regular participation and leadership in the National Association of Insurance Commissioners (NAIC) – the national body of state insurance departments – and you have evidence that Wisconsin is on the right track.

"The Office of the Commissioner of Insurance had a budget of about \$10.7 million, while the national average was 17.1 million in 2000."

Efficiency: The latest national data, from the year 2000, show our state in an exceptional position with regard to its spending and use of resources. Wisconsin has a significant number of domestic insurers, ranking sixth in the nation with 347 companies, while our agency ranks 21st in annual spending. The Office of the Commissioner of Insurance had a budget of about \$10.7 million, while the

national average was 17.1 million in 2000.

Another way to measure the success of our efficiency measures is to compare costs in the amount of spending by insurance departments per number of domestic insurers they regulate. In Wisconsin in the same year, the OCI spent about \$30,500 for each domestic company it regulates. The national average was \$153,000.

The OCI ranks fourth in the U.S. for the number of domestic insurers it regulates compared with the number of insurance examiners it employs: 14 per examiner. The national average is much lower at 6 companies per staff person.

During my term as insurance commissioner, agent listing fees – which provide most of the revenue for our administrative budget – have decreased. Our examination fees have increased slightly and other fees have

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As reported in the Winter 2001 issue of the *WIN*, **all companies will now be billed in January for appointments.** Invoices are currently being adjusted to prorate the annual renewal fees up or down, depending on the company's previous billing date. More specific information will be included with the billings that will be mailed to companies in April. Thank you for your patience.

Billings were mailed to over 76,000 agents in mid-December. A second notice was mailed following the February 15 deadline. In addition, a list of suspended agents was sent to all companies. Resident agents who do not pay their fees by April 16 and whose licenses are revoked will be required to complete the prelicensing education and retest prior to relicensing. Nonresidents will be required to reapply.

Residents: Continuing education compliance is NOT related to license renewal. Nonresidents: Home state letters of certification are NOT required with fee payments

W. I. N.

The **Wisconsin Insurance News** is published quarterly by the Office of the Commissioner of Insurance, State of Wisconsin, to inform interested parties about Wisconsin's insurance market and its regulation.

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Spring 2002 C. E. Requirements Outlined

Basic Requirements

All agents who hold a license in any of the major lines of property, casualty, personal lines P&C, life, accident and health insurance, or the limited line of automobile, must meet the continuing education requirements. **Course credits may be completed at any time during the two-year period.**

The 2001-2003 reporting period began January 1, 2001. Agents originally licensed **prior** to January 1, 2001, in the lines identified above are required to complete 24 continuing education credit hours between January 1, 2001 and February 15, 2003. Agents originally licensed **after** January 1, 2001, are required to complete the requirements between January 1, 2003 and February 15, 2005. Each agent's reporting period is

identified on his or her individual license copy. Carryover of credits from one reporting period to another is not allowed.

Reminder: If you completed your requirements prior to January 1, 2001 for the 1999-2001 reporting period, classes you completed between January 1 and April 16, 2001 have been banked for the 2001-2003 reporting period.

A list of approved providers and courses is available at ASI's Web site through a link at OCI's Web site by logging on to oci.wi.gov, then click on *Agent* followed by *Assessment Systems, Inc.* Or, you can directly log onto www.asivcs.com.

Internet and FaxBack Transcripts Available from ASI

Continued below in column 2

...Continuing Education requirements (continued)

ASI has two ways to assist agents in determining their progress toward meeting the continuing education requirements. To request your most current Licensee Continuing Education Transcript, you can use either of the following options:

Call ASI's Transcript FaxBack System toll-free at (877) 687-8886. You will be required to provide your Wisconsin license number. Once the license number is verified, your latest transcript will be transmitted to the fax number of your choice.

Or you can log on to www.asivcs.com. Click on "Insurance Professionals" and select Wisconsin Insurance. Under Continuing Education Services, click on "Licensee Course Transcript," and enter your Wisconsin license number and last name. You will be able to

view and also print your transcript.

Reviewing your transcript permits you to take any action that is necessary to add, delete, or change information that is inaccurate. To correct credit discrepancies, agents are required to contact their continuing education provider(s) directly. These discrepancies can only be resolved between the agent, the provider and ASI.

Resident Requests for Waivers from Continuing Education Requirements

Section Ins 28.05, Wis. Adm. Code identifies that continuing education requirements may be waived in writing by the commissioner for good cause shown. "Good cause" includes

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...More About Continuing Education Requirements for 2002

Continued from Page 2

long-term illness or incapacity, serving full-time in the armed forces of the United States of America on active duty outside of the state of Wisconsin during a substantial part of the biennium, and other emergency situations deemed appropriate by the commissioner. Requests for waivers by resident licensees of continuing education requirements shall be made in writing in a form and manner prescribed by the commissioner, and shall be submitted to the commissioner no later than 90 days prior to the end of the biennium for which such waiver is requested. Any waiver granted pursuant to this section shall be valid only for the biennium for which waiver application was made.

Wisconsin Accepts 2002 NAIC Assignments

The National Association of Insurance Commissioners has made committee assignments for 2002. Commissioner Connie O'Connell is now a member of the following NAIC bodies:

- National Treatment & Coordination Working Group
 - Improvements to State-Based Systems Working Group
 - CARFRA Working Group (*vice chair*)
 - Consumer Protections Working Group
 - Privacy Issues Working Group
- The above are all parts of the *Executive Committee*)

Health Insurance & Managed Care Committee

- Regulatory Framework Task Force (*chair*)
- Senior Issues Task Force (*chair*)
- Health Issues Task Force

Therefore, in order to qualify for a waiver for the 2001-2003 reporting period, a completed waiver form, including any required documentation, must be received no later than November 1, 2002. You can receive a waiver form by contacting ASI at (800) 274-4679.

Who to Call

Contact ASI for answers to general questions, to gain information on course availability, and to confirm if credits have been banked in an agent's individual record. They may be reached at (800) 274-4679. *Reminder: Dial the (800) prefix whenever using this number.* You may also fax your request for continuing education information to ASI at (610) 617-0927.

Market Regulation & Consumer Affairs Committee

- Market Regulation Task Force

Financial Condition Committee

- Accounting Practices & Procedures Task Force
- Examination Oversight Task Force (*vice chair*)
- Risk-Based Capital Task Force
- Financial Services Modernization Task Force
 - Coordination with Federal Regulators Working Group
 - Functional Regulation Working Group

- International Holocaust Commission Task Force (*part of the International Insurance Relations Committee*)

NAIC/State Legislative Liaison Committee

NAIC/Industry Liaison Committee

Change of Resident Address

If you have a **resident** address change, please notify the Agent Licensing Section in writing at **P.O. Box 7872, Madison, Wisconsin 53707-7872**, by fax at **(608) 264-8115**, or by e-mail at agentlicensing@oci.state.wi.us. Telephone requests for change of address are not accepted.

Get Ready to Utilize the SERFF System for State Rate and Form Filings

Domestic insurers received a letter from Commissioner Connie O'Connell in December encouraging them to consider filing policy forms and rates via the Internet. SERFF, the System for Electronic Rate and Form Filing, is an electronic mail communication and tracking system developed by a consortium of state regulators and insurers. The current version requires only an Internet browser and offers insurers much quicker turnaround time on filings. Insurers also can verify receipt and check on the status of their filings. All Wisconsin filings received to date were reviewed and approved in less than 30 days, most within two weeks of receipt.

There are currently 30 states accepting filings in all lines of insurance and 14 more states accepting filings in at least one line of insurance. Insurers interested in learning more about how to participate in SERFF can visit its Web site at www.serffcentral.com. OCI staff members are available to meet with insurers interested in learning more about SERFF. For more information, contact Susan Ezalarab at sue.ezalarab@oci.state.wi.us.

Efficiency.. (Commissioner's article continued)

Continued from Page 1
remained unchanged.

The OCI is also working on technological upgrades such as its complaints system, rates and forms processing, and interactive technology for the Web. We have maximized staff resources without cutting important services. We are committed to providing the most effective regulation of the insurance industry in the most efficient fashion.

The market: Wisconsin domestic insurers wrote almost \$32 billion in premiums nationally in 2000. Wisconsin insurers are national leaders in several specialized insurance markets. Insurers of credit unions, churches and jewelry stores – all headquartered in the state – are national leaders;

Commissioner's article continued....

have undertaken managed care reform, implemented new privacy protections, and strengthened enforcement authority over inappropriate agent transactions. We also have boosted consumer outreach and continued our consumer alerts.

In addition, the Consumer Federation of America has consistently ranked the OCI as one of the best state insurance departments in the nation for its consumer information. Its Web site, consumer publications and consumer complaint information have received the highest grades.

A reflection on the state of the insurance industry is particularly relevant at this time given the discussion in Washington of federal regulation of insurance. I fear that an additional layer of regulation could disrupt what I believe is an effective system.

Wisconsin is also home to leaders in whole life, fraternal and mortgage insurance sectors.

Our ability to keep the insurance market competitive in Wisconsin is extremely important. According to a recent NAIC study, Wisconsin has the lowest average homeowner's insurance rates in the country: \$266 per year. Our auto rates have been among the lowest in the nation for a number of years.

Protecting consumers: While regulation of insurance involves creating a free market environment to spur competition, it also involves making sure the consumers of insurance products are protected. During my time as commissioner, the OCI has tackled several important consumer-oriented projects. We

Continued below in column 1

Creating new bureaucracy also can lead to a loss of local oversight and connection to the market. Our state-based system of insurance regulation leaves room for continuous improvement, but it is strong and problems are being tackled by the states.

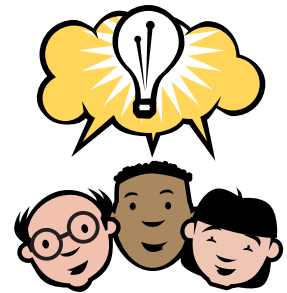
Preserving and improving this system is a high priority for me as Commissioner. The individual achievements for Wisconsin I have identified are ones in which we can all take pride. Taken in their entirety, these positive markers show a healthy, fair insurance market – and system of regulation – in our state. Of course, the OCI staff and I are proud of our role in promoting a healthy insurance climate with strong consumer protections. But we're also proud of the educated consumers, dedicated agents and strong insurers in our state.

Agent
Questions



Q. The Department of Regulation and Licensing provides a lookup link that lists currently licensed individuals such as doctors, nurses, and interior designers. Does OCI have such a list? What is the link to reach it? This would be a valuable aid to those people purchasing insurance so that they can verify that the agent they are working through is currently licensed to sell the product that is being purchased. Thank you.

A. At this time, our office has not created a link for folks to view our licensing data directly from our database. Our licensing information is available at a national Web site, however, it is limited to subscribers of that service. We will be looking at this process in the future.



Q. I need clarification on an issue. I am a currently licensed agent in Wisconsin and Minnesota. I have a son who lives in Washington DC and a friend who lives in Texas who both want to purchase insurance from me. Is this possible without me becoming licensed in those locales?

A. I am not able to speak to requirements in Washington, DC or Texas. However, our law prohibits any unlicensed person from contacting Wisconsin residents by phone, mail, in person or over the Internet to solicit insurance business. I would think the laws in the other states are similar.

Senior market warning:

Unsuitable Products Can Be Problems for Agents

Improper sales of financial products to senior citizens by Wisconsin-licensed insurance agents have again put OCI legal staff on alert. Aggressive marketing of annuities, life insurance, long-term care insurance and/or medical supplement insurance to older people can lead to serious problems, said OCI staff Attorney Steve Mueller.

"We're seeing a high incidence of inappropriate rollovers of annuities, and sales of expensive and unnecessary life insurance, to very senior citizens," Mueller said. "Often, money has been moved from CDs or other annuities by agents in order to receive large commissions. Frequently, large surrender fees are also charged."

Sales techniques such as cold-calling and mass-mailing are often used to target seniors, Mueller said. Wisconsin rules require that products offered by insurance agents *must be suitable* for clients. Changes governing private transactions between agents and clients took effect February 1 – discussed in the last issue of the WIN – and can be found at http://oci.wi.gov/rules/fnl6_60.pdf. An insurance agent now charged with theft in Dane County initially ignored the product suitability issue, he said.

Changes also were made to Ins. 6.61(16) which now requires that agents notify the OCI *in writing within 30 days* of: a) formal administrative actions of other agencies or board; b) scheduled pretrial hearings; c) felony or certain misdemeanor convictions; d) certain lawsuits filed against the agent or agent's business.

OCI's Web site has advice for senior citizens about buying financial products at: <http://oci.wi.gov/srissues/consalrt.htm>

P&C news:

New Mold Limitation and Terrorism Exception

The OCI has approved new policy language pertaining to recent events involving both terrorism and mold.

Terrorism exclusions: The OCI is approving ISO policy language for commercial lines policies and endorsements of a terrorism exclusion, negotiated through the NAIC. Exclusions should be worded like the ISO model and included a write back for losses from fire; the definition of terrorism must match the ISO's definition. The language is intended to exclude large events of terrorism that result in \$25,000,000 in damage or the injury or death of 50 or more people. Personal lines and worker's compensation coverages are not part of the approval.

Mold limitations: The OCI has approved forms that limit the amount of coverage to repair mold damage to fixed amounts. The minimum adequate amounts are \$10,000 for homeowners, \$15,000 for business property, and \$50,000 for personal liability. The commercial liability forms are not yet approved. Other points to remember: 1) A slow accumulation of mold has not been covered; 2) the occurrence of mold must be linked to prior accident (the result of a covered peril); 3) Wisconsin is a standard fire policy state, so limitations would not apply to losses caused by lightning or fire.

Contact Jane Kovacik at (608) 266-7077 or jane.kovacik@oci.state.wi.us for more information.

Complaints System Overhaul Includes Code Revision, and Reduction in the Use of Paper

The OCI recently adopted an imaging system for consumer complaint files. In addition to converting to a paperless system, the coverage type codes have been revised. Insurers can obtain a copy of the new codes on OCI's Web site at <http://oci.wi.gov/covcodes.htm>

Complaint Response Tips

Companies should always place the OCI complaint file number on all complaint correspondence. If the coverage type code on the initial OCI letter (OCI 51-11) is incorrect, correct the code when responding on the complaint.

Because correspondence is now being imaged, *insurers are not required to send duplicate responses to the complaint*. To reduce paper use, provide only one copy of the complaint response. If the response is faxed, do not

send another copy by mail. It is helpful if the pages of response documents are not stapled together; staples must be removed before imaging.

Changes in Forms and Coding for Policy forms and Rates

The OCI also has implemented new policy form and rate filing procedures. Policy form and rate filings now use the same coding system. A revised rate/rule filing transmittal form (OCI 26-400) is available on the OCI Web site in Word and PDF formats. Bulletins describing the changes, including a list of the new class/product codes, are also on the site.

Policy form filing procedures: <http://oci.wi.gov/bulletin/1101form.htm>

Rate filing procedures: <http://oci.wi.gov/bulletin/1001pc.htm>



Linda Goad Helps To Keep Tabs on State's Insurance Agents

By Kyle Richmond
OCI Public Information



If you're a Wisconsin insurance agent unfamiliar with the legal requirements of your position, Linda Goad may cross your paper trail some day. She is a veteran of Wisconsin state government and the OCI's Agent Licensing Section where she reviews – and approves or rejects – agent license applications.

Goad, who came to OCI in 1991, also verifies legal questions for agents: questions of criminal conduct, regulatory action by other states, and child support, tax and bankruptcy problems. She obtains documentation and coordinates its review by OCI attorneys. She also processes denials of first-time licensees.

Agent license application problems show up frequently, Goad said. "I had no idea there'd be that many...it's been amazing."

Before OCI, Goad worked for 20 years in the state's Department of Regulation & Licensing processing applications for a variety of state-licensed occupations, including nurses, CPAs, architects, surveyors and engineers.

She also coordinates and answers questions about resident exams. The work of her five-person section has grown a lot in 10 years.

In normal periods, each staff member takes 30 to 40 calls a day; in deadline periods, 80 to 90 calls a day, plus callbacks. The workload has increased a lot be-

cause the number of licensed agents in Wisconsin has grown from about 30,000 in 1991 to about 80,000 today. In addition, the percent of non-resident agents has risen from about 20% to more than 50%, she said.

"We attribute that to (insurance sales by) telemarketing and the Internet," Goad said. "We get (applications from) a lot of these companies that have larger offices that sell by phone. We've had them send in as many as 50 applications at a time."

In another nuts-and-bolts regulatory responsibility, Goad also coordinates the annual billing of companies for agent listing fees.

"It's my job to make sure everybody's paid and to send the threatening letters if they don't," she said with a smile.

Occasionally, Goad helps the OCI attorneys follow the trail of an errant insurance agent. She can gather information from the sources she is more familiar with to help build the background for a case, she said.

"I have access to the DOJ's (Department of Justice) Crime Information Bureau. I can go into their site...and order crime reports," Goad said. "I can also get into the national producer database with the NAIC."

If legal action is needed, she also plays a role. "I'm also responsible for setting up all the (agent licensing) legal files," she said.

So, how's the job, Linda?

"I like it because there's something (interesting) every day," she said. "You get to talk to people from all over the county...everywhere! I *do* like it when people appreciate that you've helped them," she added.



In many of the proceedings listed below, the Respondent denied the allegations but consented to the actions. Detailed information regarding the proceedings is available from the OCI Legal Unit. The following are actions completed from October 2001 through December 2001.

Agents

Linda L. Amsler

2410 Hoard St., Madison, WI 53704
Has had her insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Richard E. Anderson

P. O. Box 123, Balsam Lake, WI 54810
Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

William W. Anderson

313 E. Haseltine St., Richland Center, WI 53581
Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Donald R. Arndt

11 S. Hiawatha Cir., Sheboygan, WI 53081
Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Jasen M. Benton

2053 Shady Ln., Green Bay, WI 54313
Has had his application for an insurance license denied for 31 days. This action was based on allegations of failing to disclose previous Wisconsin administrative action on an insurance license application. November 2001

Carl W. Berntsen

363 Douglas St., Fontana, WI 53125
Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Paul T. Bishop

533-1/2 S. 4th Ave., Wausau, WI 54401
Has had his insurance license revoked. This action was based on allegations of

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failing to pay Wisconsin delinquent taxes due. November 2001

Steven W. Blok

6007 W. Stevenson St., Milwaukee, WI 53213

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Steven H. Bondeli

1725 9th St., Eau Claire, WI 54703

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Robert B. Boust III

5335 Walnut St., Philadelphia, PA 19139

Has had his application for an insurance license denied. This action was based on allegations of failing to pay past child support due and nonresponse to OCI's request for information. October 2001

Joseph B. Bowers

505 S. Lee St., Appleton, WI 54915

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Michael W. Cantwell

70 Merlham Dr., Madison, WI 53705

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Robert Walter Carron, Sr.

16865 Old Jamestown Rd., Florissant, MO 63034

Has had his application for an insurance license denied. This action was based on allegations of a criminal conviction substantially related to insurance marketing type activities. November 2001

Rodney E. Cole

1321 S. Thompson Dr., Madison, WI 53716

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Steve J. Crum

936 S. 6th Ave., Wausau, WI 54401

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

John D. Cujak

516 Kellogg St., Ripon, WI 54971

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Alan S. Daniel

37 Mustang Ct., Holland, PA 18966

Has had his application for an insurance license denied for 31 days. This action was based on allegations of failing to disclose administrative action taken by the state of Georgia on an insurance license application. December 2001

Rhonda Lee Delaney

S76 W19116 Richdorf Dr., Muskego, WI 53150

Has had her insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Kerry L. Doll

625 Harrison Ave., Beloit, WI 53511

Has had her insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Joann Elisabeth Favia

135 Elizabeth Ct., Woodale, IL 60191

Agreed to report all administrative actions taken by another state. This action was based on allegations of failing to report an administrative action taken by Illinois. November 2001

Nicholas William Ferlis

1 Superior St. Unit 2602, Chicago, IL 60610

Has had his application for an insurance license denied. This action was based on allegations of failing to disclose administrative action taken by the state of Illinois on an insurance license application and failing to respond promptly to an OCI request for information. October 2001

Howard F. Forrest

P. O. Box 36, Belmont, WI 53510

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. December 2001

Marissa A. Freeman

W6239 Rock Rd., Hortonville, WI 54944

Has had her application for an insurance license denied. This action was based on allegations of a criminal conviction substantially related to insurance marketing type activities. November 2001

Richard S. Fregin

224 Liberty # 13, La Crosse, WI 54601

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Carlos Lavon Gamble

2131 N. Hubbard St., Milwaukee, WI 53212

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

John F. Garvan

117 Cherry St., Edgerton, WI 53954

Has had his application for an insurance license denied. This action was based on allegations of criminal conviction substantially related to insurance marketing, nondisclosure of Wisconsin Department of Financial Institutions securities license revocation, and failing to respond to OCI requests for information. November 2001

John F. Garvan

117 Cherry St., Edgerton, WI 53534

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Ernest H. Harris III

2017 Frisch Rd., Madison, WI 53711

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

David J. Hartwig

110 Northbreeze Dr., Appleton, WI 54911

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Jord Christian Hauge

5803 E. Hillside Rd., Crystal Lake, IL 60014

Agreed to pay a forfeiture of \$250.00 and agreed to report any administrative action regarding an occupational license as required by Ins 6.61(16). This action was based on allegations of failing to report an administrative action taken by Illinois in March 2000. December 2001

Dennis H. Hoelzel

W5861 Manitowoc Rd., Appleton, WI 54915

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Gregory L. Hoppens

1025 Oak Ave. S. #104, Onalaska, WI 54650

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

James W. Hoskins

P. O. Box 171, Camp Douglas, WI 54618

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Christopher M. Huttner Sr.

1801 Arlington Ave., Beloit, WI 53511

Has had his insurance license revoked. This action was based on allegations of

failing to pay Wisconsin delinquent taxes due. October 2001

John Scott Jaeger

1710 Plum Thicket Ln., West Des Moines, IA 50266

Agreed to pay a forfeiture of \$250.00 and agreed to report any administrative action regarding an occupational license as required by Ins 6.61(16). This action was based on allegations of failing to report an administrative action taken by Iowa in 1999. December 2001

Michael B. Johnson

P. O. Box 232, Niagara, WI 54151

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Robert W. Johnson

P. O. Box 511, Holmen, WI 54636

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Rory M. Karch

177 Mill St., Campbellsport, WI 53010

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Roger L. Kenton

465 E. 21st St., Edgar, WI 54426

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

David P. Kluth

N85 W16075 Donald Ct., Menomonee Falls, WI 53051

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Michael A. Knox

1916 Summit Ave., Waukesha, WI 53188

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Bridget A. Krupski

2310 Remington Rd., Green Bay, WI 54302

Has had her insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Marshall H. Larson

208 Swift St. # 4, Edgerton, WI 53534

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Leroy E. Lee

910 MacArthur Ave., Ashland, WI 54806

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Gary D. Lennartz

636 Pewaukee Rd. Unit D, Pewaukee, WI 53072

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Harold J. Lerner

1331A E. Randolph Ct., Milwaukee, WI 53212

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Kirby D. Lewis

5734 N. 38th St., Milwaukee, WI 53209

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Thelmer J. Lock

7118 W. Villard Ave., Milwaukee, WI 53218

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Kenneth C. Luedke

2055 W. Vista Cir., De Pere, WI 54115

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Thavone B. Ly

1524 S. Commercial St., Neenah, WI 54956

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Michael J. Marshall

8832 Pheasant Run, Burlington, WI 53105

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Elaine K. Matysik

12440 MacAlister Way Apt. 207, New Berlin, WI 53151

Has had her insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Paul E. McElroy

21606 176th St., Cornell, WI 54732

Has had his insurance license revoked. This action was based on allegations of

failing to pay Wisconsin delinquent taxes due. October 2001

Polly A. Moser

P. O. Box 781, Cuba City, WI 53807

Has had her insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Belinda Ellen Agnes Motil

1805 Clearbrook Ln., Virginia Beach, VA 23464

Has had her application for an insurance license denied. This action was based on allegations of failing to disclose administrative actions taken by the states of Iowa, Missouri, Wisconsin and Virginia on an insurance license application and nonresponse to OCI's request for information. October 2001

Paul Mundschau

112 S. West Ave., Waukesha, WI 53186

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

David A. Neilon

21350 W. North Ave., Brookfield, WI 53005

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Ronald D. Nelson

W1938 7836 Overlook Bay Rd. #8B, Muskego, WI 53150

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

David L. Nichols

421 Manitowoc St., Reedsville, WI 54230

Has had his application for an insurance license denied. This action was based on allegations of administrative action taken by the State of Wisconsin Supreme Court, Board of Attorneys Professional Responsibility and nonresponse to OCI's request for information. October 2001

Leroy Nichols

5762 N. 92nd St., Milwaukee, WI 53225

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. December 2001

Deborah K. Olson

9834 W. Bluff Lake Rd., Danbury, WI 54830

Has had her insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Bruce R. Paulson

720 Knowlton St. # G, Waterloo, WI 53594

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Angeline Marie Poventud

1140 Rainbow Ct., Mukwonago, WI 53149

Has had her insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Jory Allan Pradjinski

4438 N. Murray Ave., Milwaukee, WI 53211

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Barbara Lynn Pytlak

459 Prado Way, Stockton, CA 95207

Has had her application for an insurance license denied. This action was based on allegations of failing to respond promptly to inquiries from OCI regarding indebtedness or bankruptcy. October 2001

Gary L. Redfern

P. O. Box 1931, Appleton, WI 54913

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Melvin E. Rodney, Jr.

366 Plymouth, Inverness, IL 60067

Agreed to pay a forfeiture of \$250.00 and agreed to report all administrative actions regarding an occupational license as required by Ins 6.61(16). This action was based on allegations of failing to report an administrative action taken by Illinois in April 2000. November 2001

Patrick R. Russell

3780 Dominic Dr., Brookfield, WI 53045

Agreed to pay a forfeiture of \$250.00. This action was based on allegations of failing to report an administrative action taken by the Wisconsin Supreme Court in 1998. December 2001

George A. Sawchuk

6405 W. Lloyd, Wauwatosa, WI 53213

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

David W. Scanlan

6015 N. Shoreland Ave., Whitefish Bay, WI 53217

Was ordered to pay a forfeiture of \$200.00, was ordered to pay restitution, and has had his insurance license

revoked. This action was based on allegations of soliciting three persons for Transamerica Life Insurance and Annuity Company and Transamerica Occidental Life Insurance Company, collecting \$47,633.00 for premiums, but using the money for personal purposes. He did business as Term Quote Direct and deposited the money in the Term Quote Direct account at First Union Securities. He was also charged with theft by fraud of \$39,600.00 in Eau Claire County. His insurance license was suspended for failing to comply with Wisconsin continuing education requirements. Scanlan did not appear at the hearing or prehearing. December 2001

Peter A. Weddig

13795 46th Ave., Chippewa Falls, WI 54729

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Dean G. White

922 S. Bauch Ave., Freeport, IL 61032

Has had his application for an insurance license denied for 31 days. This action was based on allegations of failing to disclose administrative actions taken by the state of Illinois on an insurance license application. October 2001

Marie C. Whiting

8320 River Terrace Dr., Franklin, WI 53132

Has had her insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Robert P. Witt

5510 Creamery Rd., McFarland, WI 53558

Agreed to pay a forfeiture of \$250.00 and agreed to report any administrative action regarding an occupational license as required by Ins 6.61(16). This action was based on allegations of failing to report an administrative action taken by the Wisconsin Department of Financial Institutions in April, 2000. December 2001

Anthony R. Young Sr.

2518 N. Hubbard, Milwaukee, WI 53212

Has had his insurance license revoked. This action was based on allegations of failing to pay Wisconsin delinquent taxes due. October 2001

Timothy Jay Zak

7645 Garfield Ave. S. # 7, Richfield, MN 55423

Has had his application for an insurance license denied. This action was based on allegations of administrative action taken against his attorney's license by the state of Minnesota Supreme Court, Lawyers Professional Review Panel. November 2001

Joseph E. Zdeb

5717 Greenwood, Shawnee, KS 66216
Has had his application for an insurance license denied for 31 days. This action was based on allegations of failing to disclose administrative action taken by the state of Kansas on an insurance license application. December 2001

Companies

American Investors Life Insurance Company

1 Amvestors Pl., 555 S. Kansas Ave., Topeka, KS 66601

Paid a forfeiture of \$500.00 and was ordered to provide the information requested. This action was based on allegations of failing to respond promptly to inquiries from OCI. November 2001

American Security Insurance Company

260 Interstate North Cir., Atlanta, GA 30339

Paid a forfeiture of \$2,500.00 and was ordered to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI and failing to comply promptly with an order. October 2001

Clarendon National Insurance Company

1177 Avenue of the Americas, 44th and 45th Fl., New York, NY 10036

Paid a forfeiture of \$3,400.00 and was ordered to cease and desist from using forms unless and until they have been approved for use in Wisconsin and to cease and desist from accepting applications from agents unless and until they have been properly listed. This action was based on allegations of using unapproved pet insurance policy forms and allowing two unlisted agents to solicit insurance prior to being properly listed. December 2001

Continental General Insurance Company

8901 Indian Hills Dr., Omaha, NE 68114

Paid a forfeiture of \$500.00 and was ordered to provide the information requested. This action was based on allegations of failing to respond promptly to inquiries from OCI. November 2001

Connecticut General Life Insurance Company

900 Cottage Grove Rd., Hartford, CT 06152

Paid a forfeiture of \$1,000.00 and was ordered to provide the information requested. This action was based on allegations of failing to respond promptly to inquiries from OCI. December 2001

Economy Premier Assurance Company

385 Washington St., St. Paul, MN 55102
Paid a forfeiture of \$500.00 and was ordered to provide the information requested. This action was based on allegations of failing to respond promptly to inquiries from OCI. November 2001

Foremost Insurance Company

P. O. Box 3333, Grand Rapids, MI 49501
Paid a forfeiture of \$500.00 and was ordered to cease and desist from utilizing the services of an intermediary agent who is not properly listed. This action was based on allegations of allowing an agent to submit applications prior to listing the agent. November 2001

General Electric Capital Assurance Company

P. O. Box 320, Lynchburg, VA 24505
Paid a forfeiture of \$500.00 and was ordered to cease and desist from utilizing the services of an intermediary agent who is not properly listed. This action was based on allegations of allowing two agents to submit applications prior to listing the agents and failing to promptly comply with an order issued. October 2001

Greater La Crosse Health Plans, Inc.

1837 E. Main St., Onalaska, WI 54650
Paid a forfeiture of \$3,500.00. This action was based on allegations of failing to comply with a previous compliance order issued for an examination report. November 2001

Guaranty National Warranty Services, Inc.

9 Farm Springs Rd., Farmington, CT 06032
Paid a forfeiture of \$20,180.00 and was ordered to cease and desist from issuing vehicle service contracts in Wisconsin unless and until it has obtained a limited certificate of authority to solicit a warranty business. This action was based on allegations of doing an insurance business without proper authority. December 2001

Metropolitan General Insurance Company

P. O. Box 350, Warwick, RI 02887
Paid a forfeiture of \$500.00 and was ordered to provide the information requested. This action was based on allegations of failing to respond promptly to inquiries from OCI. November 2001

Metropolitan Property and Casualty Insurance Company

P. O. Box 350, Warwick, RI 02886
Paid a forfeiture of \$500.00 and was ordered to provide the information requested. This action was based on allegations of failing to respond promptly to inquiries from OCI. November 2001

National Health Insurance Company
P. O. Box 619999, DFW Airport, Dallas, TX 75261

Paid a forfeiture of \$500.00 and was ordered to cease and desist from utilizing the services of an agent who is not properly listed. This action was based on allegations of allowing an agent to submit applications prior to listing the agent. November 2001

New Hampshire Insurance Company

2005 Market St., Philadelphia, PA 19103
Paid a forfeiture of \$500.00 and was ordered to provide the requested information to the office. This action was based on allegations of failing to respond promptly to inquiries from OCI and failing to promptly comply with an order. December 2001

Physicians Plus Insurance Corporation

22 E. Mifflin St. #200, Madison, WI 53703
Paid a forfeiture of \$2,500.00 and was ordered to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI and failing to promptly respond and failing to promptly comply with an order. October 2001

Travelers Indemnity Company of IL

1 Tower Sq. 4CR, Hartford, CT 06183
Paid a forfeiture of \$3,000.00 and was ordered to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI and failing to promptly comply with an order. November 2001

Travelers Insurance Company, The

1 Tower Sq. 4CR, Hartford, CT 06183
Paid a forfeiture of \$500.00 and was ordered to provide the information requested. This action was based on allegations of failing to respond promptly to inquiries from OCI. November 2001

Triad Marketing Group LLC

70 S. Val Vista Dr. Ste. 3A #608, Gilbert, AZ 85296
Paid a forfeiture of \$720.00 and was ordered to cease and desist from issuing vehicle service contracts in Wisconsin until it has obtained authority to do a warranty business. This action was based on allegations of doing an insurance business without proper authority. November 2001

Union Security Life Insurance Company

1201 Market St. Ste. 1500, Wilmington, DE 19801
Paid a forfeiture of \$500.00 and was ordered to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI. November 2001

United States Warranty Corporation (DE)

15 Alpha Park, Cleveland, OH 44143
Paid a forfeiture of \$740.00 and was ordered to cease and desist from issuing service contracts unless and until it has obtained a limited certificate of authority to solicit a warranty plan in Wisconsin. This action was based on allegations of doing an insurance business without proper authority. November 2001

Unity Health Plans Insurance Corporation

840 Carolina St., Sauk City, WI 53583
Paid a forfeiture of \$3,000.00. This action was based on allegations of failing to comply with a previous compliance order issued for an examination report. November 2001

Warner Insurance Company

200 W. Adams #400, Chicago, IL 60606
Paid a forfeiture of \$500.00 and was ordered to provide the requested information. This action was based on allegations of failing to respond promptly to inquiries from OCI. November 2001

West Coast Life Insurance Company

343 Sansome St., San Francisco, CA 94104
Paid a forfeiture of \$500.00 and was ordered to cease and desist from utilizing the services of an intermediary agent who is not properly listed. This action was based on allegations of allowing an agent to submit applications prior to listing the agent. October 2001

Updated OCI Brochures Are Available and Free

The OCI has recently revised the following publications:
Consumer's Guide to Worker's Compensation Insurance for Employers, available on the Web at: http://www.oci.wi.gov/pub_list/pi-065.htm

Medicare Supplement Insurance Approved Policies, available on the Web at: http://www.oci.wi.gov/pub_list/pi-010.htm


These publications are available on-line at oci.wi.gov. All materials may be copied without permission. You may obtain one copy of each publication free of charge by calling Julie at (608) 267-4397 or send e-mail to her at publications@oci.state.wi.us.


Reminder to Agents

Agents are required by statute to notify the OCI of a **residential** address change within 30 days. Failure to do so may result in revocation of a license due to nonpayment of the biennial regulation fee. **Relicensing requires retesting for resident agents. Retesting requires the completion of prelicensing education.**

If you have an address change, please notify the Agent Licensing Section in writing at **P.O. Box 7872, Madison, Wisconsin 53707-7872**, by fax at **(608) 264-8115**, or by e-mail at **agentlicensing@oci.state.wi.us**. Changes of address by telephone are not accepted.

Contacting the OCI

Office of the Commissioner of Insurance
 121 E. Wilson Street
P.O. Box 7873
Madison, Wisconsin
53707-7873

(608) 266-8699 (agents) 
(608) 266-3585 (general)



<http://oci.wi.gov>

(608) 264-8115 (market regulation)
(608) 266-9935 (general)



 agentlicensing@oci.state.wi.us
information@oci.state.wi.us
marketreg@oci.state.wi.us
financial@oci.state.wi.us
legal@oci.state.wi.us

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121 East Wilson Street
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Madison, WI 53707-7873